



City Manager's

# COVID-19 RESPONSE UPDATE

Wednesday, May 20, 2020

*City Manager Dee Williams-Ridley provided this update on the City of Berkeley's COVID-19 response to the City Council. The reports, which are issued most weekdays, can be viewed at [cityofberkeley.info/covid19-city-manager-updates](http://cityofberkeley.info/covid19-city-manager-updates).*

## **Pandemic Study on Economic Impact**

COVID-19's movement deep into the life of our city and nation has provoked questions about the impact of the virus, the related public health response and their impacts on the economy.

With neither pharmaceutical treatment nor vaccine for COVID-19, public health leaders around the world use proven "non-pharmaceutical interventions" to limit the spread of the disease. Shelter-in-place, face coverings and social distancing are examples of those interventions, known as NPIs.

A [study released last month](#) by researchers at the Federal Reserve researchers and an M.I.T. business school economist examined those issues when looking at the 1918 pandemic, the last pandemic resembling this one. As is true in America today, there was a broad variation in the speed and aggressiveness of local interventions. These researchers had this economic analysis:

Cities that intervened earlier and more aggressively do not perform worse and, if anything, grow faster after the pandemic is over. Our findings thus indicate that NPIs not only lower mortality; they may also mitigate the adverse economic consequences of a pandemic.

... cities with stricter NPIs during the pandemic perform better in the year after the pandemic

Pandemics are highly disruptive for economic activity, among other things. They make workers sick, taking them out of the workforce. They reduce demand due to a variety of factors, such as workers reducing spending due to job concerns or employers reducing investments.

While controlling for a variety of factors, researchers found, "timely measures that mitigate the severity of the pandemic may also reduce the severity of the persistent economic downturn. That is, NPIs can reduce mortality while at the same time being economically beneficial."



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The study is available online: [Pandemics Depress the Economy, Public Health Interventions Do Not: Evidence from the 1918 Flu](#)

## Survey of East Bay Businesses

The pandemic has had a deep impact on Berkeley businesses, according to the result of a recent survey.

Berkeley businesses accounted for 561 of the 1,970 responses in an **East Bay EDA Regional Economic Impact Survey** of businesses in Alameda and Contra Costa counties. Key top-line takeaways from Berkeley respondents include:

- More than 2/5 of respondents expect greater than 80% revenue loss over the 3 months of the COVID-19 pandemic.
- More than 1/4 would expect to close permanently if they had to stay closed for 2 months. More than half would expect to close permanently if they had to stay closed for 3-4 months.

The substantial response from Berkeley businesses was spurred by an Office of Economic Development-led team of City staff from multiple departments, such as our Library.

## Resources

### Health Officer orders

As shelter in place restrictions continue to relax over the coming weeks and months, regulations will change at different times across the state and region. To make it easy for residents, merchants and other community members to understand what the current rules are in Berkeley, we've created a [Health Officer orders webpage](#). The page collects all COVID-19 orders, supporting documents, and related news in a single place, with the status and a short summary for each order.

For this week's [shelter in place update](#), the page features:

- A list of businesses permitted to operate
- Health Officer indicators for assessing progress
- Frequently asked questions



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- Compliance resources for businesses, including a fillable social distancing protocol, downloadable signs, and links to state guidance and re-opening checklists for retails, manufacturers, and logistics and warehousing facilities

## **FEMA Resource: Coronavirus rumor control**

FEMA helps the public distinguish between rumors and facts regarding the response to the COVID-19 pandemic. They've compiled [responses to a number of common rumors](#), and offer advice to help people identify trusted sources of information. This resource is available in 20+ languages.